



San Francisco Health Network
Laguna Honda Hospital
and Rehabilitation Center

Laguna Honda Hospital Executive Team Report

February 21, 2023



Status Update



The Path to CMS Recertification

- In April 2022, the Centers for Medicare and Medicaid Services (CMS), terminated Laguna Honda's participation in the Medicare and Medicaid Provider Participation Programs.
- Laguna Honda is dedicated to successful recertification in Medicare and Medicaid to continue providing care to our residents and bring long-term stability to our community.
- We continue to work hard to meet all regulatory requirements and make rapid improvements to prepare for recertification.
- This includes long-term operational, institutional, and cultural changes needed to achieve recertification and to ensure the long-term success of the hospital.
- Between the Laguna Honda staff and our expert consultants, we are confident we have the team in place for a successful recertification.



Status Update



Settlement Agreement with CDPH and CMS – Extended Payments and Closure Plan Pause

- On November 10, 2022, the City and County of San Francisco signed the Settlement and Systems Improvement Agreement with CMS and the California Department of Public Health.
- Under the agreement, CMS will continue paying for care at Laguna Honda until November 13, 2023.
- CMS also agreed to continue the pause on involuntary discharges and transfers of residents until February 2, 2023. **On February 1, 2023, CMS agreed to the City's request to continue the pause of involuntary discharges and transfers of Laguna Honda residents until at least May 19, 2023.**
- This is the humane and compassionate path forward for our residents, their families, our staff, and all those who care about Laguna Honda.



Path to Recertification



Root Cause Analysis and Quality Improvement Expert

- As part of the settlement agreement with CMS, Laguna Honda was required to engage a Quality Improvement Expert (QIE) to assess our progress on recertification.
- Health Services Advisory Group (HSAG) is serving as our QIE. As the QIE, HSAG was instructed to develop a Root Cause Analysis (RCA) that reviewed many past LHH surveys, including the mock survey.
- The RCA describes in detail the reasons behind our decertification and highlights key areas that need to be addressed.
- The theme throughout the RCA is that over time, Laguna Honda policies and practices have become out of sync with high performing skilled nursing homes, and we often operated more like an acute care hospital.



Path to Recertification



Root Cause Analysis in Response to the First 90-Day CMS Monitoring Survey

- As part of the settlement agreement, CMS will conduct monitoring surveys every 90 days. These are unannounced, extensive, full recertification surveys.
- The first of these monitoring surveys began on November 28th, with over 20 surveyors engaging with the organization, and concluded on December 16th.
- Laguna Honda staff worked collaboratively with the survey teams to ensure they had everything they needed. Items noted through the survey process were addressed in real time.
- As required by the settlement agreement, the QIE developed a RCA in response to the first CMS 90-day monitoring survey. This RCA is still draft pending receipt of CMS comments.
- **Each CMS 90-day monitoring survey requires a new root cause analysis.**



Path to Recertification



Action Plan and Updated Path to Recertification

- In response to the original RCA, and the RCA of the first 90-day CMS monitoring survey, Laguna Honda, with assistance from the QIE, developed an Action Plan.
- The Action Plan is our new blueprint for how we will accomplish CMS recertification and remain compliant and successful for the long term.
- The Action Plan includes hundreds of improvements – all of which we must implement by May 13, 2023.
- We will continue to update the Action Plan in response to additional RCAs from future monitoring surveys and if CMS requires any further changes.
- Using the Action Plan as our guide, we will get to a place of being ready for successful CMS recertification.



Path to Recertification



Monitoring Action Plan Progress

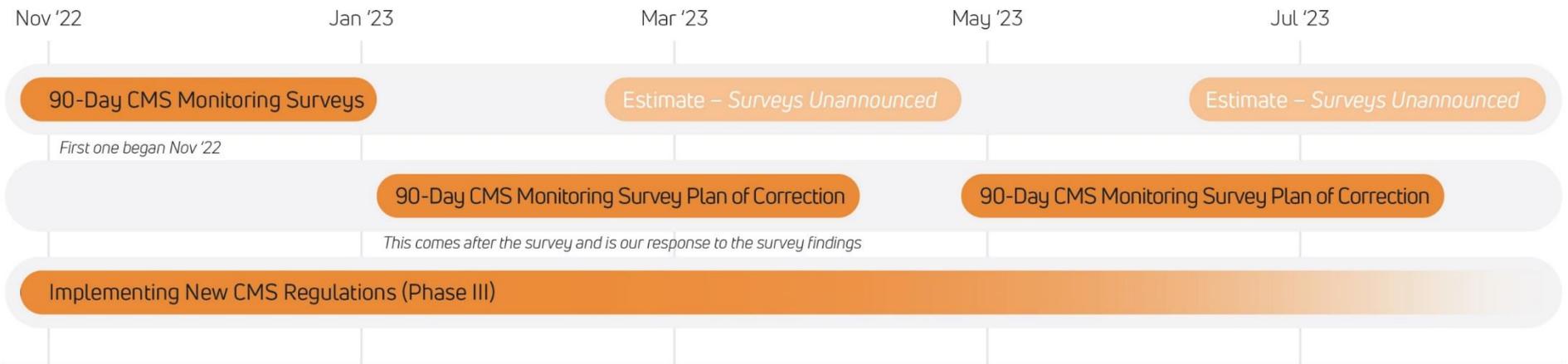
- Each month the QIE is required to report our progress to CMS. We must show that we are making progress and successfully completing all key Action Plan milestones.
- The milestones spread across January, February, March, and April to keep each milestone achievable and to demonstrate continual progress.
- **We are pleased to report that the for the month of January, we successfully submitted all 126 milestones due to the QIE.**
- Recently completed milestones include new trainings, a standardized tool to evaluate care plans, a 2023 schedule for emergency response drills, and job postings for key leadership positions, including a nursing home administrator, which will serve as the top executive for Laguna Honda.



Laguna Honda Path to CMS Recertification

Survey Readiness

During 2023, we will host surveyors more frequently and for more extensive surveys. We will take on new projects to better align our facility with CMS regulations and skilled nursing facility best practices. These projects, which include ongoing Facilities and Capital Projects, will contribute to more successful surveys. Survey readiness includes daily clinical observation rounds and weekly executive staff leadership rounds.



Action Plan

The proposed Action Plan is our blueprint for how we will accomplish recertification and remain successful over the long term. The Action Plan was developed in response to the Root Cause Analysis, prepared by the Quality Improvement Expert. This was required as part of the settlement agreement.



Closure Plan



Updating the Closure Plan

- As required by the settlement agreement, we submitted a draft revised closure plan to CMS on December 21st. CMS has not yet accepted the revised closure plan.
- This revised closure plan, once accepted by CMS, will replace the plan that was suspended a few months ago.
- **On February 1, 2023, CMS agreed to the City's request to continue the pause of involuntary discharges and transfers of Laguna Honda residents until at least May 19, 2023.**
- CMS still requires Laguna Honda develop and submit a revised closure plan





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